



# Tennessee's 2008 Sales Tax Holiday

[www.tntaxholiday.com](http://www.tntaxholiday.com)

Sales Tax Holidays begin on the first Friday in August each year at 12:01 a.m. and end at 11:59 p.m. the following Sunday.

## Computers (\$1,500 or less)



During these holidays, **computers with a purchase price of \$1,500 or less**, not for use in a trade or business, are exempt from tax. Laptop computers, if priced at \$1,500 or less, also qualify. Additionally, there is no requirement that purchases be made only for students. If an item is tax exempt, **anyone may make the purchase tax-free**.

For purposes of this exemption, a computer is defined as a central processing unit (CPU), along with various other components including monitor, keyboard, mouse, cables to connect components, and preloaded software. While the CPU may be purchased separately, other items must be part of a bundled computer package in order to be eligible. Software beyond what is preloaded with the computer package is not exempt from tax.

The following items are **not exempt** from tax:

- Computer parts, such as monitors, keyboards, speakers, and scanners when not sold in conjunction with a CPU
- Individually purchased software or other software not part of a preloaded software package on the initial purchase of a computer
- Storage media, such as diskette and compact disks
- Handheld electronic schedulers
- Personal digital assistants (PDAs)
- Video game consoles
- Computer printers and supplies for printers, such as paper and ink

When a customer orders a computer during this period for later receipt, tax exemption is still allowed as long as the customer does not request delayed shipment. Backlogs and backorders outside the buyer's control are still tax-free. For layaway sales, qualified computer purchases are exempt when final payments are made during the holiday by customers on items previously placed on layaway. When customers put computers on layaway during the holiday period, they will also be tax-exempt when final payment and delivery is made after the exemption period.

For more information, please contact the Tennessee Department of Revenue online at [www.tntaxholiday.com](http://www.tntaxholiday.com) or at [www.Tennessee.gov/Revenue](http://www.Tennessee.gov/Revenue).

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Telephone: (800) 342-1003 7 a.m. – 5 p.m., CST, Monday through Friday